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INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS

Status of the European Community in the Special Committee on Preferences

Note by UNCTAD secretariat

The attached explanatory memorandum is being circulated at the request of the Permanent Representative of Greece on behalf of the European Union.

Attention is drawn to the annotation to item 11(f) of the Board's provisional agenda (TD/B/40(2)/1).

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Explanatory memorandum of the Presidency of the European Union for the attention of the Members of the Trade and Development Board

1. The Presidency of the European Union has requested the UNCTAD secretariat to include the question of improving the European Community's status in the UNCTAD Committee on Preferences on the agenda of the meeting of the Trade and Development Board scheduled for April 1994. The question has been included as item 11(f). As UNCTAD's Rules of Procedure require the party concerned to enter an explanatory memorandum of the reasons for its action, the Presidency of the European Union is submitting this document for the attention of the UNCTAD Member States.

2. The European Community has been participating in UNCTAD (United Nations Conference on Trade and Development) proceedings with observer status since 1964. Generally speaking, observer status can be judged acceptable insofar as it has allowed the Community to exercise its competence and carry out its obligations both in UNCTAD bodies and in the framework of the conventions negotiated and adopted under the auspices of this subsidiary organ of the UN General Assembly.

3. UNCTAD proceedings cover important areas which form part of the Community's responsibilities, especially in trade matters. The Community has its own competence in relation, inter alia, to restrictive business practices and trade preferences. Moreover, the Community's competence in the latter field is exclusive, i.e. the Member States have transferred total responsibility in this area to the Community.

4. In order to allow the Community to exercise such responsibilities fully, it has been granted participant status (without voting rights) in the Intergovernmental Group of Experts on Restrictive Business Practices. The intention of this change in the Community's status was to help the group function more efficiently and this has been achieved to the satisfaction of the Members of UNCTAD. Thus, in Resolution No. 366 (XXXV) of 14 March 1989, the Trade and Development Board (TDB) decided to "accord intergovernmental organizations which have competence in the area of restrictive business practices the same participation rights as those accorded to States except for the rights of vote."

5. In view of this precedent, the Community considers it appropriate and essential to alter its current status as observer in the Special Committee on Preferences by analogy with the status it has been granted by the TDB in the Intergovernmental Group of Experts on Restrictive Business Practices. The Community's aim is to help improve the functioning of the Committee on Preferences and to make its own participation easier and more effective in an area where it is heavily involved by virtue of its institutional responsibilities.

6. The change in the Community's status will not affect the rights of Members of UNCTAD, including the Member States of the Community, who will still be able to speak on matters such as, for instance, those related to the Overseas Countries and Territories. In the same way, the change in the Community's status does not prejudice the Community's future status in the UNCTAD.

7. The Presidency of the European Union therefore proposes that the TDB adopt the attached decision so that the Community may be granted the same status for its participation in the proceedings of the Committee on Preferences as it has enjoyed in the Intergovernmental Group of Experts on Restrictive Business Practices since TDB decision No. 366 (XXXV), of 14 March 1989, i.e. the same rights enjoyed by States, excluding the right to vote.